



Residents of Ward 13 attend Alderman Diane's
Community Open House on
Fish Creek/Lacombe LRT Land Development

Summer 2005 Newsletter

Alderman
Diane Colley-Urquhart

You have most likely already heard the news – in May, Council approved property tax increases of 5.4%, 4%, and 4.5% for the period 2006 – 2008. These increases will be used by Administration as guidelines in preparing their business plans and corresponding budgets. Although multi-year budgeting in a rapidly growing city makes good business sense, ***I DID NOT SUPPORT*** these target increases as I believe we have other sources of revenue that would provide the necessary dollars we need to sustain an acceptable level of service that citizens expect and that will address growth. We also need to cut costs and live within our means.

I will first provide an overview of the process, how we got here, and what the next steps will be, and then provide some alternatives that Council could have considered. Traditionally, Council has approved annual budgets and they were not linked to department business plans. In March 2004, Council approved the move to develop and integrate multi-year business plans and budgets to deliver better long-term service and financial planning. Late last year, Council developed a list of priorities for the 2006 – 2008 period, generating a list of 80 priorities as well as a process for Administration to deliver a multi-year budget. During the following months, Council's appointees, Mayor Bronconnier and Alderman Lowe, worked with Administration to develop a range of possible deliverables to advance Council's priorities over this period, with corresponding financial requirements. Administration were given guidelines to follow in developing their business plans to moderately increase budgets to cover inflation with additional infrastructure that needs to be maintained and updated (especially for protective services, transportation and the environment), maintain existing services at current levels wherever possible, balance moderate property tax rate increases with increases in user fees in selected areas, and to look for cost reductions and savings through improvements in efficiency and service delivery approaches in all departments. Guideline instructions also included:

- FIRE – operating new stations in Lower Springbank/Signal Hill (06); Royal Oak (07), and Valley Ridge (08), and expansion to an existing station in Hidden Valley.
- POLICE – more funding to match expected population growth (\$2.9M in 06; \$6.2M in 07; \$9.5M in 08).
- TRANSIT – additional hours of transit and ACCESS Calgary (\$3M in 06; \$6M in 07; \$10M in 08) and more bus drivers and operating costs for new buses and routes (\$1.6M in 06; \$3.7M in 07, \$6.4M in 08).

- GARBAGE COLLECTION – more funding to address residential growth (\$1M in 06; \$2.2M in 07; \$3.3M in 08).
- ENVIRONMENT – budget growth for environmental regulatory compliance, improving water quality for discharge into Bow River, and increased service volume, off-set by increased drainage fees on utility bills (fees would increase from current \$3.90 per household to \$5.11 in 06; \$5.73 in 07; \$6.95 in 08).
- PARKS – more funding for parks operations and maintenance (\$2M in 06, \$3.6M in 07; \$5.1M in 08).
- PUBLIC HOUSING – operating funds for 100 new City-owned public housing units each year.
- PERMITS – additional staff to accommodate volume increases, off-set by rate increases in each of three years.
- SNOW & ICE REMOVAL – less sanding and more salt use to reduce spring sweeping (reduce costs by \$300,000 annually).
- Most departments will receive additional funding to meet financial pressures of inflation, salary and wage increases, plus cost to operate facilities and infrastructure approved in capital budgets.
- City funding for EMS will be reduced in 2007 and 2008, on the expectation the Province of Alberta will provide additional funding for the service.
- \$87M in capital spending over 3 years for Council's priorities including increased capital funding for the arts, libraries, sport, cultural and recreational facilities, the community capital conservation grant, pathways, urban forests and river environments, development and upgrading of urban parks and wetland conservation.

Administration is now preparing draft business plans that reflect these guidelines and will be reviewed by the Standing Policy Committee on Finance & Corporate Services on Tuesday and Wednesday, 2005 September 13 & 14 beginning at 9:30 AM in the Engineering Traditions Committee, First Floor, Historic City Hall. I encourage you to attend and address the Committee with your thoughts and comments on the proposed business plans. Proposed budgets based on approved department business plans for 2006 – 2008 will then be reviewed by Council from November 21 – 25, and again, you will have the opportunity to address the recommendations at that time. More information will be available at a later date.

A 1% property tax increase equates to approximately \$5.5 million in revenue to the City. It is my view that a 0% tax increase for the next three years is possible by using a portion of the Enmax dividend of \$50 million to address the needs of a growing city and maintain current levels of service (rather than the creation of legacy parks), and would provide the citizens of Calgary with a tangible benefit from retaining ownership of this utility. As well, the Province of Alberta has committed to transferring the governance of EMS from the city, another \$22 million that will be available to keep tax increases to 0%.

I am deeply concerned and troubled by the continuous increases in property tax, user fees and proposed transportation, recreation and new building lot levies. To me there reaches a critical point when taxing, borrowing and spending can negatively impact the economy in Calgary. I also am very concerned that we are forcing our seniors that are on limited and low incomes out of their homes because they simply can't handle these tax bills. I always hear that we have city sprawl and should stop development, for example in Ward 13, and that people should live in the inner city and we should increase the density there instead of building out. This is the biggest urban myth that I have heard lately! Families like yours in Ward 13 and seniors simply

can't afford to live in the inner city with the cost of housing. I need your feedback on these comments and your position on the level of service you expect, taxes, spending, borrowing, and for example, using ENMAX profits to stabilize property taxes.

As always, you can contact my office regarding this or any other civic matter at 268-1624, by email at dcolley@calgary.ca, or through my website, www.aldermandiane.ca. Alternatively, you can contact 268-CITY (2489).